

CITY OF TIGARD, OREGON
TIGARD CITY COUNCIL
RESOLUTION NO. 07-56

A RESOLUTION FINALIZING SANITARY SEWER REIMBURSEMENT DISTRICT NO. 37 (SW 87TH COURT AND HALL BOULEVARD) AND AMENDING THE PRELIMINARY CITY ENGINEER'S REPORT CONTAINED IN RESOLUTION NO. 07-06.

WHEREAS, on January 23, 2007, the City Council approved Resolution No. 07-06 to form Sanitary Sewer District No. 37 to extend sewer service to SW 87th Court in accordance with TMC Chapter 13.09; and

WHEREAS, Resolution No. 07-06 included the City Engineer's Report which provided an estimated construction and total project cost; and

WHEREAS, construction of the sewer improvements has been completed, final costs have been determined, and the City Engineer's Report has been revised to include the final costs as required by TMC 13.09.105 (1); and

WHEREAS, the property owners within the district have been notified of an informational hearing in accordance with TMC 13.09.060 and an informational hearing was conducted in accordance with TMC 13.09.105; and

WHEREAS, the City Council has determined that the proposed revisions to the City Engineer's Report, as recommended by the City Engineer, are appropriate.

NOW, THEREFORE, BE IT RESOLVED by the Tigard City Council that:

SECTION 1: The Final City Engineer's Report titled "Sanitary Sewer Reimbursement District No. 37", attached hereto as Exhibit A, is hereby approved.


SECTION 2: The City Engineer's Report as presented in Resolution No. 07-06 is hereby amended by the attached Final City Engineer's Report (Exhibit A).

SECTION 3: The City Recorder shall cause a copy of this resolution to be filed in the office of the County Recorder and shall mail a copy of this resolution to all affected property owners at their last known address.

SECTION 4: This resolution is effective immediately upon passage.

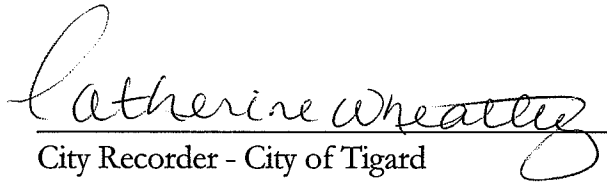
PASSED:

This 14th day of August 2007.



Mayor - City of Tigard

ATTEST:



City Recorder - City of Tigard

Exhibit A
Final City Engineer's Report
Sanitary Sewer Reimbursement District No. 37
(SW 87th Court, Hall Boulevard)

Background

This project was constructed and funded under the City of Tigard Neighborhood Sewer Extension Program (NSEP). Under the program, the City of Tigard installed public sewers to each lot within the project area. At the time the property owner connects to the sewer, the owner must pay a connection fee, currently \$2,835, and reimburse the City for a fair share of the cost of the public sewer. There is no requirement to connect to the sewer or pay any fee until connection is made. In addition, property owners are responsible for disconnecting their existing septic systems according to Washington County rules and for any other modifications necessary to connect to the public sewer.

Project Area - Zone of Benefit

The six lots in this district are the lots that can not be served without sewer line extensions. Serving these six lots required boring across SW Hall Boulevard to an existing sewer in SW Merlyne Court. This boring also provided service to ten other lots along SW McDonald Street as shown on Attachment 3. These ten lots were provided with access to a main line constructed in 1992 through Reimbursement District No. 1. The downstream end of the main line was terminated at SW Hall Boulevard leaving the lots without service. This mainline was connected to the proposed line crossing SW Hall Boulevard and is now functional. The owners will be notified when service becomes available. Reimbursement District No. 1 expired on January 21, 2002, so owners may connect to the sewer without payment of a reimbursement fee. The remaining lots on SW 87th Court already are served from an existing line to the rear of the lots and are not included in this district.

The project provided sewer service to a total of six lots within the proposed reimbursement district as shown on Exhibit Map B.

Cost

The contract for construction of the sewer was part of a larger project awarded by City Council for \$295,557 on February 27, 2007. The portion of the project included in the reimbursement district was awarded for \$155,518. The final cost of the entire project is \$280,303.50. The final construction cost of the portion of the project to provide service to the six lots within the district is \$160,387. Engineering and inspection fees amount to \$21,652 (13.5%) as defined in TMC 13.09.040(1). The final total project cost for the district is \$182,039. This is the amount that should be reimbursed to the sanitary sewer fund as properties connect to the sewer and pay their fair share of the total amount. However, the actual amount that each property owner pays is subject to the City's incentive program for early connections.

In addition to sharing the cost of the public sewer line, each property owner will be required to pay a connection and inspection fee, currently \$2,835, upon connection to the public line.

All owners will be responsible for all plumbing costs required for work done on private property.

Reimbursement Rate

All properties in the proposed district are zoned R-4.5 but vary in lot size from about fifteen thousand to sixteen thousand square feet as can be seen in the following list of lots. Therefore, it is recommended that the total cost of the project be divided among the properties proportional to the square footage of each property.

Other reimbursement methods include dividing the cost equally among the owners or by the length of frontage of each property. These methods are not recommended because there is no correlation between these methods and the cost of providing service to each lot or the benefit to each lot.

Each property owner's final fair share of the public sewer line is \$1.94367943 per square foot of lot served. Each owner's fair share will be limited to \$6,000, to the extent that it does not exceed \$15,000, for connections completed within three years of City Council approval of the final City Engineer's Report following construction in accordance with Resolution No. 01-46 (attached). In addition to paying for the first \$6,000, owners will remain responsible for paying all costs that exceed \$15,000. Upon request, payment of costs that exceed \$15,000 may be deferred until the lot is developed, as provided by Resolution No. 03-55 (attached).

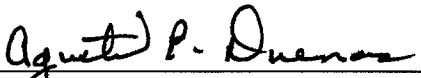
Annual Fee Adjustment

TMC 13.09.115 states that an annual percentage rate shall be applied to each property owner's fair share of the sewer line costs on the anniversary date of the reimbursement agreement. The Finance Director has set the annual interest rate at 6.05% as stated in City of Tigard Resolution No. 98-22.

Recommendation

It is recommended that a reimbursement district be finalized with an annual fee increase as indicated above and that the reimbursement district continue for fifteen years as provided in Tigard Municipal Code (TMC) 13.09.110(5). Fifteen years after the formation of the reimbursement district, properties connecting to the sewer would no longer be required to pay the reimbursement fee.

Submitted July 31, 2007


Agustin P. Duenas, P.E.
City Engineer

i:\eng\2006-2007 fy cip\87th ave san sew reimb dist 37\finalization\8-14-07 reimb dist 37 report ex a.doc

87TH COURT Reimbursement District No. 37

Cost to Property Owners Based on Final Project Cost
July 26, 2007

	OWNER	SITE ADDRESS	TAX LOT ID	AREA (S.F.)	AREA (AC)	FINAL REIMBURSEMENT FEE	AMOUNT TO BE PAID BY OWNER	AMOUNT TO BE PAID BY CITY	AMOUNT THAT CAN BE DEFERRED BY OWNER
1	GARDNER RICHARD A	13940 SW 87TH CT	2S102DD00809	16175.35075	0.371	\$31,440	\$22,440	\$9,000	\$16,440
2	BOGAN REGINALD & SUSAN HA	13855 SW HALL	2S102DD00801	14697.75398	0.337	\$28,568	\$19,568	\$9,000	\$13,568
3	CURTIS FAMILY TRUST	13960 SW 87TH CT	2S102DD00808	15426.11273	0.354	\$29,983	\$20,983	\$9,000	\$14,983
4	BOSSHARDT AURTHERA	13915 SW HALL BLVD	2S102DD00802	14976.41394	0.344	\$29,109	\$20,109	\$9,000	\$14,109
5	CURTIS FAMILY TRUST	13905 SW 87TH CT	2S102DD00812	16443.5323	0.377	\$31,961	\$22,961	\$9,000	\$16,961
6	CURTIS FAMILY TRUST	13935 SW 87TH CT	2S102DD00813	15937.57553	0.366	\$30,978	\$21,978	\$9,000	\$15,978
	Totals			93657	2.15	\$182,039	\$128,039	\$54,000	\$92,039

The "FINAL REIMBURSEMENT FEE" column shows the reimbursement fee for each lot. There are no requirements to connect to the sewer or pay any fees until the owner decides to connect to the sewer.

In accordance with Resolution No. 01-46, each property owner will be required to pay the first \$6,000 of the final reimbursement fee for connections completed within the first three years of City Council's approval of the final City Engineer's Report following construction. The "AMOUNT TO BE PAID BY CITY" column shows that portion of the reimbursement fee that the owners will not be required to pay if they connect to the sewer during this three year period.

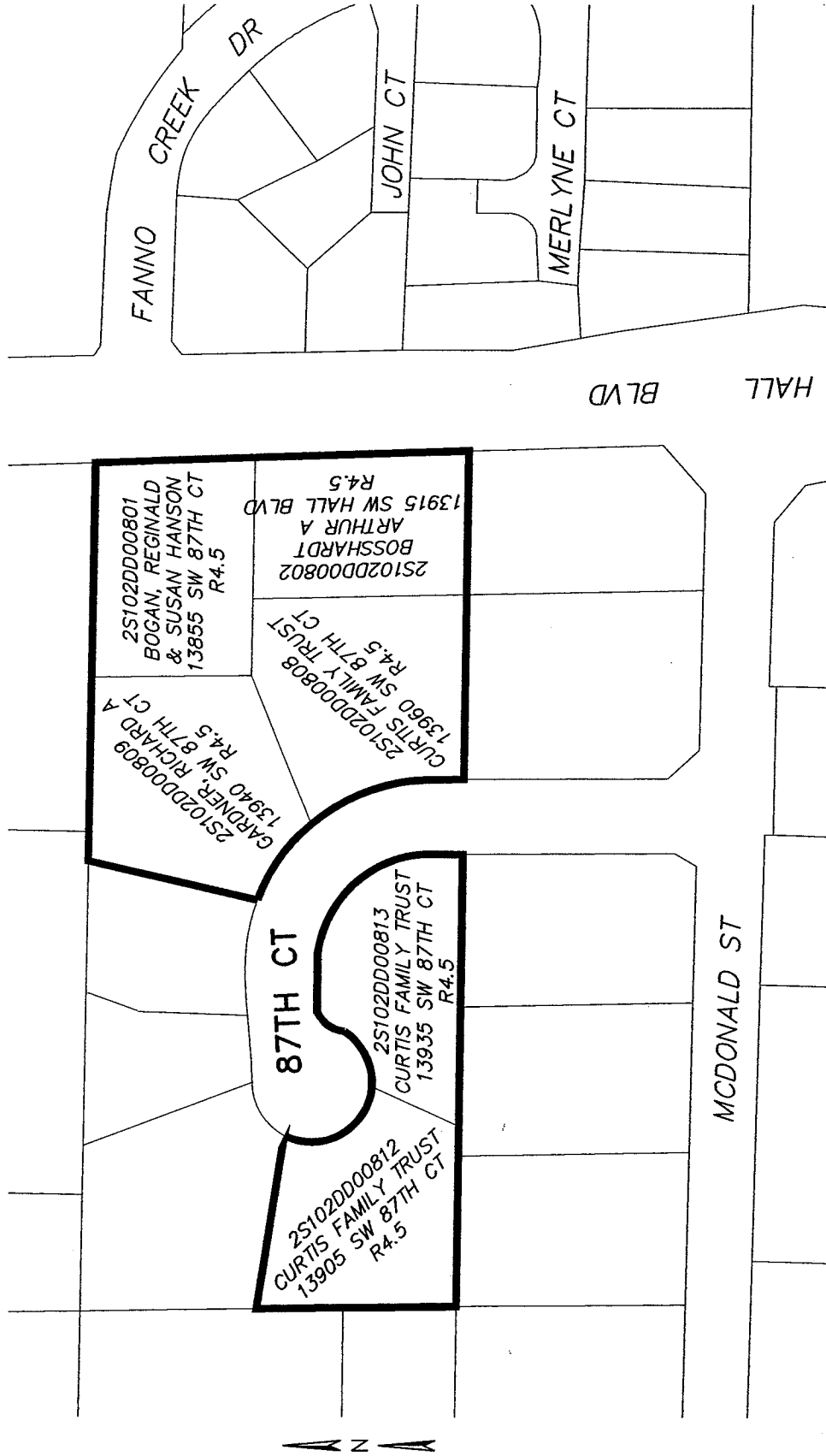
This resolution also requires owners to pay any fair share amount that exceed \$15,000. Consequently, if the final fair share for an owner exceeds \$15,000, the owner would be required to pay \$6,000 plus that amount of the fair share that exceeds \$15,000. Under Resolution No. 03-55, payment of the amount in excess of \$15,000 may be deferred until the owner's lot is developed. This amount is shown in the "AMOUNT THAT CAN BE DEFERRED BY OWNER" column.

In addition to the reimbursement fee, the owners will also be required to pay a connection fee, currently \$2,835, at the time of connection to the sewer. In addition, property owners are responsible for disconnecting their existing septic system according to Washington County rules and for any other modifications necessary to connect to the public sewer.

87TH COURT
Reimbursement District No. 37
Cost to Property Owners Based on Final Project Cost
7/26/2007
July 26, 2007

Final Construction Cost	\$160,387
13.5% contingency (Admin & Eng)	\$21,652
total project costs	\$182,039
total area to be served (S.F.)	93,657
total cost per S.F. to property owner	\$1.94367943

87TH COURT
 FY 2006-07 SANITARY SEWER EXTENSION PROGRAM
 REIMBURSEMENT DISTRICT NO. 37
 A PORTION OF THE SW 1/4 SECTION 2 T2S R1W W.M.



NOTE:
 All properties in the reimbursement district are zoned R4.5

EXHIBIT B
 NTS